

**Testimony of Jay Katz
Executive Director, Leeway Inc.**

Re: H.B. No. 5037 (COMM) AN ACT ADJUSTING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE 30, 2023.

Concerning

Department of Social Services Budget- Residential Care Home Funding
Appropriations Subcommittee on Human Services Public Hearing, February 23, 2022

Senator Osten, Representative Walker, Senator Miner, Representative France and Members of the Appropriations Subcommittee on Human Services, **thank you for the opportunity to offer testimony on the Department of Social Services Budget related to Residential Care Home Funding.**

My name is Jay Katz, and I am the Administrator at Leeway in New Haven. I am here today to raise concerns with the Governor's budget related to residential care homes and express the strong need for a rate increase for residential care homes throughout the state and an increase in wages for our employees.

Leeway offers 30 residential care beds to people living with HIV/AIDS and co-occurring conditions. As our population ages the severity of their conditions increase. Our residents average about twelve medical appointments a month and between ten to fourteen medications per day. They can suffer from addiction, poor mental health, physical and cognitive limitations that make them dependent on the services our staff provides.

Last year's biennium budget included a transfer of some residential care home spending to Medicaid. This shift was done to save the state money and provide residential care homes with much-needed resources. The plan is for residential care homes to become Medicaid billers starting April 1, 2022.

Despite our Association meeting with the Dept. of Social Services several times to discuss this, there has been no operationalized plan for residential care homes to become Medicaid billers. **These funds are critically important to our homes and employees who have been counting on the increased revenue to deal with the impact of the pandemic. We would urge the Appropriations Committee to ensure these dollars go to increasing residential care home rates!**

We value our employees who deserve so much more for the work they do for a challenging but rewarding population. This year COVID restriction limited access to community services necessary to the care and wellbeing of Leeway residents. Leeway staff has supplemented for the lack of community support. The isolation Leeway residents experienced, triggered negative reactions forcing Leeway's caring and dedicated staff to responded heroically. As substance usage increased among the residents, our organization experienced up to three to four overdoses on any given day. Our staff bravely intervened administering Naloxone during all of these incidents; successfully saving the lives of people we serve. Our creative and caring associates attempted to create a positive and pleasant environment for the people that live in

Leeway facilities. Our staff provided events such as hallway bingo, one on one card games in resident units and incentive programs for the most compliant during quarantines, just to name a few. Even with all of our staff's efforts to address the pandemic's impact, the overdoses, the mental and physical declines continued, leading to some of our residents transferring to our skilled nursing facility and others involuntarily discharging to the community. Our residents rely on the consistency and comfort our staff provides them.

Unfortunately, paying employees the necessary wages to attract new people to our industry is almost impossible, resulting in higher employee turnover. Our industry strives to employ people in long term careers so that they can establish and maintain relationships with our residents. This leads to better long-term health outcomes, stability in the home, and savings to our state.

The inconsistent funding also challenges our business operations. We are constantly having to make repairs that are subject to state inspections and yet have virtually no margins to do so. Leeway implemented sanitation and disinfection programs to reduce the risk of transferable illness and addressed unplanned intermittent transportation needs because of the pandemic at the expense of our organization and our staff.

Unlike other providers during the pandemic, we did not see any federal funding to support our work or our employees. The Governor's proposal to enable residential care homes to bill Medicaid acknowledges the need for higher rates.

We provide a critical service for the state and care for some of the most vulnerable people. We do this for a low cost. My home and other residential care homes throughout the state have had to get by with rates failing to keep up with costs and yet we serve as the safety net for many people with mental health diagnoses and substance abuse issues. Unlike other providers, our residents are almost all state funded limiting our ability to cost shift and make up for low rates.

Please support residential care home funding so that we can keep our great employees and pay them fairer wages while they care for some of the most vulnerable in the state.

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